GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:1202
ANSWERED ON:26.11.2007
CONSUMER PRICE INDEX
Singh Shri Rajiv Ranjan (Lalan);Suman Shri Ramji Lal

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the rate of Consumer Price Index in each of the months during January to September 2005, 2006 and 2007 was found higher in India in Comparison to other countries like America, China, Japan, Germany, France, England etc;

(b) if so, the details thereof indicating the comparative rates of Consumer Price Index during above period; and

(c) the reasons for higher rate of Consumer Price Index in India?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a): Yes, Sir.

(b): The Consumer Price Index Numbers in respect of various countries like America, China, Japan, Germany, France, England from January 2005 to September 2007 and the rates of inflation based on these Index Numbers are in Annexure I. The point to point rates of inflation based on the Index numbers of the same period of previous year in respect of various countries is in the range of (-) 0.2 to 4.3. The All India Consumer Price Index Numbers for Industrial Workers (CPI-IW) on base 1982=100 from January to December 2005 and on new base 2001=100 from January to December 2006 to January to September 2007 and point to point rate of inflation is in Annexure II which are in the range of 3.3 to 7.3, which are higher in comparison to the inflation rates of the countries under reference.

(c): The most commonly used Consumer Price Index in India relate to Industrial Workers. The variations in the index numbers of different countries cannot be compared with that of Indian CPI(IW) because of structural differences on account of various factors like different weighting diagrams or varying consumption patterns, different base periods, differences in index methodologies used, concepts and sources of prices used, etc. in different countries.